



# CITY OF LODI

## COUNCIL COMMUNICATION

**AGENDA TITLE:** Approve Plans and Specifications and Authorize Advertisement for Bids to Construct a Compressed Natural Gas (CNG) Station, and for Fueling Equipment at the Municipal Service Center (MSC), 1331 South Ham Lane

**MEETING DATE:** September 5, 2001

**PREPARED BY:** Public Works Director

**RECOMMENDED ACTION:** That the City Council approve the plans and specifications for the above project and authorize advertising for bids.

**BACKGROUND INFORMATION:** This project will provide a centrally located CNG fueling facility, upgrade existing gasoline and diesel dispensers, install a fuel card system, and upgrade bus, heavy-duty truck, and light-duty vehicle parking.

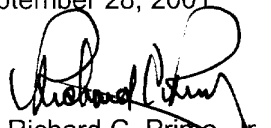
With the prospect of the Streets and Water/Wastewater divisions acquiring CNG vehicles, a CNG station at the MSC will reduce the labor costs associated with having to drive 3.4 miles one way to E. F. Kludt and Sons. Also, the City will see reduced fuel costs for its CNG buses, trucks and cars. The City should expect to pay about \$.75 per gallon for CNG. We will also explore the possibility of providing a public fueling point.

The City Council previously approved the purchase of \$160,000 of CNG equipment; of the \$500,000 currently budgeted, we expect to spend approximately \$200,000 for CNG fueling equipment and \$300,000 for construction. The local match for this project was a \$100,000 Air District grant, which went for the purchase of CNG fueling equipment.

The plans and specifications are on file in the Public Works Department.

**FUNDING:** The money for these projects will be coming from the Federal Transit Administration Fund. A request for appropriation of funds will be made at contract award.

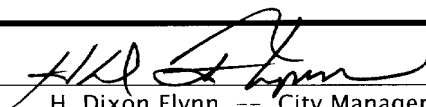
Project Estimate: \$500,000  
Budgeted: 2001/02 fiscal year  
Planned Bid Opening Date: September 28, 2001

  
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Public Works Director

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RCP/CT/lm

cc: Joel Harris, Purchasing Officer  
Dennis J. Callahan, Fleet and Facilities Manager

APPROVED: \_\_\_\_\_

  
H. Dixon Flynn -- City Manager